

REASONS THAT PRE-APPEAL-BRIEF REVIEW IS REQUESTED

A. In its simplest form, the claimed invention is directed to a marketing support system that preserves the privacy of the consumer while still allowing advertisers to perform highly targeted advertising based upon the private information of consumers (specification, page 8, last full paragraph, page 9, first full paragraph). The marketing support system is based upon the use of an independent third-party database.

The independent third-party database is independent because it is not necessarily part of any payment system (specification, page 3, second full paragraph). It is also independent of any vendor.

Payment, in fact, may be made using any conventional mechanism (e.g., cash, credit card, debit card, etc.) (specification, page 3, last full paragraph). In effect, payment may be part of a parallel process.

Vendors contribute information to the independent third-party database in exchange for access to highly targeted sales prospects (specification, page 9, first full paragraph). Consumers participate because they are able to avoid unwanted advertising and, in fact, may choose the type of advertising in which they are interested (specification, page 8, first and second full paragraph).

In order to identify sales prospects, a vendor submits a customer profile 20 to the third-party database (specification, page 4, first full paragraph). The customer profile 20 may include any number of characteristics specific to a customer. Customer characteristics may include the locale where customers live or the locale where a vendor sells. Characteristics may also include limitations that identify specific types of customer purchases or complementary products (specification, paragraph bridging pages 4-5).

The third party database may compare the customer profile 20 provided by the vendor with customer preferences, previous purchases and other information provided by the customer to identify a number of highly targeted sales prospects among the customer database. In order to preserve customer privacy, the third-party database may release customer information in summary form only (e.g., contact information) (specification, page 5, third full paragraph). Optionally, the third-party database may preserve customer privacy by requiring the vendor to upload promotional material to the third-party database for direct distribution by the third party database (specification, page 5, fourth full paragraph).

B. Claims 1-22 are pending in this application. Independent claim 1 is a method claim limited to "A programmed computer method of identifying potential customers for delivery of promotional materials." Independent claims 9 and 17 are apparatus claims limited to "An apparatus for identifying potential customers for delivery of promotional materials."

Claims 9-22 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite. However, the Office Action of 10/17/07 provides no basis for the rejection of claims 9-16.

With regard to claims 17-22, the Office Action asserts that "Claim 17 recites 'information from a plurality of independent vendors' - it is unclear how a source and/or a delivery mechanism of this information can limit the structure of the database merely containing the information in this system claim" (Office Action of 10/17/07, page 2).

However, as would be clear to anyone of skill in the art, a database containing 'information from a plurality of independent vendors' is different than any database that does not contain that same information. Moreover, the claimed information is functionally related to the claimed invention and therefore the claim language is entitled to the meaning of every word of the claim.

Not only is the rejection of claims 17-22 under 35 U.S.C. §112, second paragraph, improper, but the rejection also shows that claims 17-22 have not been accorded the full meaning to which it is entitled. As such, the rejection is improper and should be overturned.

Claims 1-6, 8-14, 16-20 and 22 stand rejected under 35 U.S.C. §103(a) as being obvious over U.S. Pat. Appl. No. US 2003/0018613 to Oytac in view of U.S. Pat. No. 6,347,304 to Taricani, Jr. It may be noted first that the Office Action admits that "Oytac does not . . . explicitly state that the database system of consumer purchase information is one which also calculates taxes due on such purchases" (Office Action of 5/21/07, paragraph bridging pages 3-4). However, the Office Action goes on to assert that "It would have been obvious to have provided the features of Oytac with the system of Taricani, Jr. so that additional revenue could be generated for the valuable consumer data" (Office Action of 5/21/07, page 4).

However, the logic of the Office Action is flawed by the status of the user of the Taricani Jr. system. For example, the Taricani Jr. "network operator essentially acts as an independent contractor for the revenue agency 4 and can take[s] the revenue agency 4 out of the loop of collecting such taxes" (Taricani, Jr., col. 6, lines 50-53). Moreover, Taricani Jr. explicitly states that "the operator of the network of the present invention acts as an agent of the revenue agency" (Taricani Jr., col. 13, lines 8-9). Since the Taricani Jr. network operator collects taxes for the revenue agency 4, the Taricani Jr. network operator is necessarily limited by agency law.

It is fundamental to U.S. privacy law that public entities (and their agents) cannot release private information for commercial purposes. More to the point, the release of purchasing information is a violation of privacy. Since the release of purchasing information is a violation of privacy, the combination could not work as the Office Action asserts because the law forbids it.

Taricani, Jr. is not a database of past purchases, as asserted by the Office Action. Instead, Taricani, Jr. is a database of transactions for which taxes have not paid. As such, Taricani, Jr. is a database of evidence of possible criminal activity. Even if a consumer were willing to waive his right to privacy, the criminal nature of the Taricani, Jr. database would render any waiver null and void.

Claims 1, 9 and 17 are limited to "a third-party tax record database forming data files about customers where the third-party database is separate from any vendor and where the third-party database also determines a tax due on previous purchases made by customers." The claimed third-party tax record database does not exist to collect taxes, an operator of the claimed third-part tax record is not an agent of the state and, therefore, does not have the obligation of confidentiality imposed upon Taricani, Jr.

The claimed "third-party tax database" is different from Taricani, Jr. because it exists for the benefit of the buyer and seller and not for the benefit of the state. For example, "For buyers, the database may be used as a convenient source of information on purchases for tax purposes . . . duplicate charges from the same seller may be regarded as evidence of fraud" (incorporated by reference from U.S. Pat. Appl. No. 09/679,083, page 7, lines 28-31). Further benefits "may be derived from the vast quantities of consumer buying information generated and which may then be sold under certain conditions to marketing organizations" (incorporated by reference from U.S. Pat. Appl. No. 09/679,083, page 7, lines 28-31).

The claimed third-party database can release consumer information because it operates under the authority of both buyer and seller. Taricani, Jr. cannot release data because it is an agent of the state. Since Taricani, Jr. cannot release data, the combination of Oytac and Taricani, Jr. is ineffective in teaching each and every claim limitation because information about the criminal activity of the Taricani, Jr. consumers cannot be released and cannot be used for any commercial purpose such as forwarding promotional materials. As such, there is no teaching or suggestion of "a third-party tax record database . . . identifying customers . . . and . . . forwarding promotional materials to the identified customers." Since the combination fails to teach or suggest each and every claim limitation, the rejections are improper and should be reversed.

Claims 7, 15, 21 stand rejected under 35 U.S.C. §103(a) as being obvious over Oytac in view of Taricani, Jr. and U.S. Pat. Appl. No. US 2002/0077901 to Katz. It may be noted in this regard, that Katz (as with Oytac and Taricani, Jr.) fails to provide any teaching or suggestion of tax database as a source of customer information. Since the combination of Oytac and Katz fails to teach or suggest this claim element, the combination fails to teach or suggest each and every claim limitation. Since the combination fails to teach or suggest each and every claim limitation the rejections are improper and should be reversed.

The Office Action of 10/17/07 asserts that "Applicant argues that Taricani, Jr. acts on the behalf of the revenue agency and is therefore limited by agency law and "US privacy law", yet applicant provides no specific legal citations" (page 5). However, it is not the obligation of the applicant to establish the illegality of the combination advanced by the Office Action. Instead, it is the obligation of the Examiner to establish the prima facie case of obviousness and any argument advanced by the applicant as to the non-obviousness of the combination (including illegality) must be addressed by the Examiner in establishing the prima facie case. This has not been done by the Examiner.

Rather than addressing the suggestion of non-obviousness based on illegality, "the examiner is treating the claims and applying the prior art with respect to technological achievements/aspects rather than any ethical, political or legal hurdles that may impede a proper obvious combination" (Office Action of 10/17/07, page 5). As such, the Examiner has failed to meet his/her obligation with respect to addressing the applicant's argument based upon illegality.

Rather than addressing the applicant's arguments based upon illegality, the Office Action asserts that "as applicant is clearly aware, it is routine for entities to first opt-in acceptance from users before their private or consumer information may be used for marketing/advertising purposes . . . Such would be an obvious aspect for one of ordinary skill for the proposed combination" (Office Action of 10/17/07, paragraph bridging pages

5-6). However, rather than providing support for the rejection, the requirement for “opting-in” is believed to be further evidence of the non-obviousness of the claimed invention. For example, why would a consumer “opt-in” to provide further information to an agent of the government when such “opting-in” could result in further tax liabilities or prosecution for tax avoidance.

The Office Action goes on to assert that “Examiner believes that one of ordinary skill would find it obvious to try to target the consumer profiles of Taricani, Jr. given the teachings of Oytac and in the alternative to provide the tax services of Taricani, Jr. with that of Oytac” (Office Action of 10/17/07, page 6). However, Taricani, Jr. explicitly states that “When it is determined that the database 2 contains data for sales transactions on which a tax has already been paid, such sales transactions are deleted from the database 2” (Taracani, Jr., col. 6, lines 18-21). As such, one of ordinary skill in the art would not find the use of the database of Taracani, Jr. to be obvious since it is of limited value because it only deals with data with tax deficiencies. Moreover, most marketing organizations would not choose to market to a limited subset of consumers with obvious tax problems.

The Office Action asserts that “The cited article ‘IRS may let tax preparers sell customer’s information’ provides evidence that the IRS allows tax preparers to target consumers according to their private information. In fact, the IRS is keen to expand that use of consumer information to enable any third party to use it for marketing purposes” (Office Action of 10/17/07, page 6). However, on a first level, a tax preparer is a private entity. It is not an agent of the state as is Taricani, Jr.

Moreover, the statement that the “IRS is keen to expand that use of consumer information to enable any third party to use it for marketing purposes” is further evidence of non-obviousness. In this case, if the IRS must enable the use of consumer information, then this is an implicit admission that the Taricani, Jr. information cannot be used in the manner suggested.

The Office Action asserts that “One of ordinary skill would find it obvious to extract marketing value from the tax database of Taricani, Jr. by way of targeting advertising/marketing in the interest of generating revenue. Whether this is ethical/legal or not does not prevent one of ordinary skill from considering such acts or if needed, to change policies to permit it. If indeed penalties are in place for using such private information, those penalties inherently represent consideration of doing such an act, rendering the act obvious” (Office Action of 10/17/07, page 6). However, the statement that “Whether this is ethical/legal or not does not prevent one of ordinary skill from considering such acts” shows that the wrong standard has been applied in considering the claims. For example, the illegality of a combination is evidence of non-obviousness and must be considered in evaluating the obviousness of the combination. Since the Office Action admits that this has not been done, the rejection is improper and the prima facie case of obviousness has not been made.

Moreover, the statement that “If indeed penalties are in place for using such private information, those penalties inherently represent consideration of doing such an act, rendering the act obvious” is nonsensical. For example, how can a penalty become consideration for any act? Isn’t consideration the incentive for performing an act? Isn’t a penalty a disincentive for performing the act? Even assuming arguendo that a penalty were consideration for some act, how does consideration translate into obviousness?

The Office Action asserts "Applicant argues that Taricani, Jr. is not a database of past purchases, yet admits that Taricani, Jr. provides a 'database of transactions'. Whether the taxes have been paid or not is outside the current claim scope. 'Why' the claimed database exists does not prevent the combination from reading on the current claims" (Office Action of 10/17/07, page 6). However, this argument misstates the basis upon which a finding of obviousness can be made. For example, whether the database could be a database of past purchases ignores the question of whether there is a basis for making the combination. In the case at hand, Taricani, Jr. is a database maintained by an agent of the state and then only for the limited purpose of retaining information about transactions for which a tax has not been paid. In contrast, the claimed third party database is maintained for the benefit of the user. It is not maintained for the benefit of the state. Since the claimed third party database is maintained for the user, there is no requirement that the user "opt-in" or "opt-out" of any use of consumer information.

In each case, Taricani, Jr. teach away from the claimed invention. On a first level, Taricani, Jr. is an agent of the state, not a third party database. It is hard to imagine a situation where an agent of the state could also be an agent of a consumer.

On another level, Taricani, Jr. collects tax information about consumers without the permission of the consumer. It is hard to imagine a situation where disclosure of that information could be more subject to privacy laws.

On still another level, Taricani, Jr. discards data upon which taxes have been paid. It is difficult to image that a database of consumers with tax problems would have much value to marketing organizations.

For any of the above reasons, the combination of Oytac and Taricani Jr. does not teach or suggest each and every claim element. Since the combination of Oytac fail to teach or suggest each and every claim limitation the rejections are improper and should be overturned.